

CLAIMS:

1. A method for transacting transfers of agricultural products, the method comprising:

5 observing the price of an agricultural product at observation points over a period of time;

specifying a maximum price;

for each of the observation points, selecting the maximum price in the event the observed price is greater than the maximum price, and selecting the observed price in the event the observed price is less than the maximum price; and

10 calculating a price for a quantity of the agricultural product based on the average of the selected prices and a premium above the average; and

paying to a seller of the quantity of the agricultural product an amount based upon the calculated price.

15 2. The method of claim 1, wherein the selected price is a per unit price X, the premium is a per unit price Y, the quantity is Z units, and the calculated price is equivalent to $(X + Y) * Z$.

20 3. The method of claim 1, wherein the seller is an agricultural producer.

4. The method of claim 1, wherein the seller is a reseller of agricultural products.

25 5. The method of claim 1, wherein the agricultural products include grain.

6. The method of claim 1, wherein the agricultural products include livestock.

7. The method of claim 1, wherein the agricultural products include animal produce.

8. A method comprising:
5 preparing contracts for delivery of quantities of an agricultural product between an elevator and agricultural producers; and
aggregating the contracts into a smaller number of contracts between the elevator and a derivatives provider.

10 9. The method of claim 8, wherein the smaller number of contracts include options that limit prices for the contracts to no more than a predetermined level.

10. The method of claim 8, further comprising:
transmitting payments between the derivatives provider and the elevator; and
15 transmitting payments between the elevator and agricultural producers.

11. The method of claim 8, further comprising maintaining anonymity between the derivatives provider and the agricultural producers.

20 12. The method of claim 8, further comprising preparing the smaller number of contracts by preparing contracts between the elevator and an elevator services company and preparing contracts between the elevator services company and the derivatives provider.

25 13. The method of claim 5, further comprising taking physical delivery of the agricultural product from the agricultural producers at the elevator.

14. The method of claim 8, wherein the agricultural products include grain.

15. The method of claim 8, wherein the agricultural products include livestock.

5 16. The method of claim 8, wherein the agricultural products include animal produce.

17. A method for transacting transfers of agricultural products, the method comprising:

10 observing the price of an agricultural product at observation points over a period of time;

specifying a minimum price;

for each of the observation points, selecting the minimum price in the event the observed price is less than the minimum price, and selecting the observed price in the event the observed price is greater than the minimum price; and

15 calculating a price for a quantity of the agricultural product based on the average of the selected prices and a discount below the average; and

paying to a seller of the quantity of the agricultural product an amount based upon the calculated price.

20 18. The method of claim 17, wherein the selected price is a per unit price X, the discount is a per unit price Y, the quantity is Z units, and the calculated price is equivalent to $(X - Y) * Z$.

25 19. The method of claim 17, wherein the seller is an agricultural producer.

20. The method of claim 17, wherein the seller is a reseller of agricultural products.

21. The method of claim 17, wherein the agricultural products include grain.

22. The method of claim 17, wherein the agricultural products include livestock.

5 23. The method of claim 17, wherein the agricultural products include animal produce.

24. A method for transacting transfers of agricultural products, the method comprising:

10 preparing contracts for delivery of quantities of an agricultural product between an elevator and agricultural producers;

aggregating the contracts into a smaller number of contracts between the elevator and a derivatives provider;

15 observing the price of the agricultural product at observation points over a period of time;

specifying a minimum price;

for each of the observation points, selecting the minimum price in the event the observed price is less than the minimum price, and selecting the observed price in the event the observed price is greater than the minimum price;

20 calculating a price for a quantity of the agricultural product based on the average of the selected prices and a discount below the average; and

paying to each agricultural producer an amount based upon the calculated price.

25 25. The method of claim 24, further comprising executing a financial swap between the elevator and the derivatives provider.

26. The method of claim 24, further comprising:
executing a financial swap between the elevator and an elevator service company;
and

executing a financial swap between the elevator service company and the derivatives provider.

27. The method of claim 24, further comprising receiving a marketing fee
5 from the derivatives provider.

28. The method of claim 24, further comprising hedging the risks of the aggregated contracts.

10 29. The method of claim 24, further comprising maintaining anonymity between the derivatives provider and the agricultural producers.

30. A method for transacting transfers of agricultural products, the method comprising:

15 preparing contracts for delivery of quantities of an agricultural product between an elevator and agricultural producers;

aggregating the contracts into a smaller number of contracts between the elevator and a derivatives provider;

20 observing the price of the agricultural product at observation points over a period of time;

specifying a maximum price;

for each of the observation points, selecting the maximum price in the event the observed price is greater than the maximum price, and selecting the observed price in the event the observed price is less than the maximum price;

25 calculating a price for a quantity of the agricultural product based on the average of the selected prices and a premium above the average; and

paying to each agricultural producer an amount based upon the calculated price.

31. The method of claim 30, further comprising executing a financial swap between the elevator and the derivatives provider.

32. The method of claim 30, further comprising:
5 executing a financial swap between the elevator and an elevator service company;
and
executing a financial swap between the elevator service company and the derivatives provider.

10 33. The method of claim 30, further comprising receiving a marketing fee from the derivatives provider.

34. The method of claim 30, further comprising hedging the risks of the aggregated contracts.

15 35. The method of claim 30, further comprising maintaining anonymity between the derivatives provider and the agricultural producers.